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PLATE 1



Cooperative Extension Work in Agriculture and Home Economics

Extension Service Circular 130

August, 1930

ADJUSTMENTS OF THE EXTENSION SERVICE TO NEW COOPERATIVE DEVELOPMENTS*

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The extension organization is nation-wide. There are nearly 6,000 men and women trained in agriculture and home economics distributed over 2,300 agricultural counties and the agricultural colleges of the 48 States. Nearly 24 million dollars are expended annually to maintain the work. The extension organization is made up of efficient, experienced personnel making contacts with more than 4 million farm people each year. The organization is educational, aiming to develop a strong rural leadership capable of winning a place in the council of public affairs and able to present the rural viewpoint in a fair and fearless manner. It aims to make the farm a profitable business undertaking and a satisfactory place to live.

The extension program is a result of conference between the extension worker and the farmer. It is neither the systematic plan of the college professor nor the listing of temporary ills of farmers. The extension worker has gained the confidence of the farmer over the years by bringing to him accurate unbiased information. Given the facts, the farmer has demonstrated repeatedly that he can formulate a course of action as intelligently as any other business man. The extension program has always reflected the thoughts and needs of the rural people. This was as true during the past year as at any previous time.

The Federal Farm Board was created about a year ago. It was the result of nearly ten years of congressional effort. The broad powers conferred on the board and the pressing problems facing it placed it in the limelight. It is not within the scope of this paper to review the accomplishment of the Federal Farm Board, but rather to trace the readjustments and recount the cooperation that the Extension Service has given in carrying out the provisions of the agricultural marketing act.

* Address presented at the American Institute of Cooperation, Columbus, Ohio, July 8, 1930.

DISTRIBUTION: A copy of this circular has been sent to each State extension editor, county agricultural agent leader, specialist in visual instruction, specialist in marketing, State agricultural college library, and State experiment station library.

Shortly after the Federal Farm Board was organized Chairman Legge stated the board would rely upon the Extension Service for all the educational work in connection with its program. While there may have been conflicting ideas regarding the agricultural marketing act on the part of the people, ranging from skepticism to hope, the Extension Service has viewed this legislation as the beginning of a new era in the development of agriculture in the United States. From the beginning also the extension organization has recognized the unavoidable dangers involved in carrying the program of the board into active operation.

The philosophy of the extension worker can be summed up in the statement, "We can do anything that is worth while." The marketing of farm products through farmer-owned and farmer-controlled associations has been an accepted principle since extension work was founded. It has always been considered as worth while. Extension workers have made cooperative marketing work the first order of business during the last year. Let us examine the specific things that have been done.

General Information

The farm board was new. Its policies and plans had to be developed. It was necessary for the farmer to know something about the agricultural marketing act itself. Local cooperative associations wanted to know how they might come to benefit under this new law. Practically all of the State extension organizations have held special schools for extension work on the agricultural marketing act or they have devoted a large part of the regular annual conference to familiarizing the agents with the provisions of the act and the plans for the national set-up.

Extension workers have followed closely the program of the farm board as it has been developed from month to month. The early announcement of the board that it would render assistance to farmers only when they were collectively organized into cooperative associations naturally gave great impetus to the formation of these associations. With this policy to reenforce them, extension workers were not slow in entering upon a vigorous effort to acquaint farmers with the objectives and relationships of cooperative associations and their requirements for membership. The fact that over 1,000 cooperative associations were organized during 1929 indicates that extension effort in support of the farm board's policy has been accomplishing results.

Regional Organization

The farm board has concentrated on the development of national and regional commodity organizations through which the local cooperative associations might effectively function. Out of this effort the national and regional organization of five commodities - grain, wool, livestock, beans, and cotton - has been largely accomplished. In the formation of regional organizations, in particular, extension aid had been sought and information has been given which has facilitated the forming of organizations capable of operating successfully.

The farm board has included in its program the financing of qualified regional cooperatives in a large variety of commodities. In many cases, existing regional cooperatives were not organized to meet the full requirements of the board. In revising their organization to meet farm board requirements, extension specialists in a number of States have proved most helpful.

Adjustment of Production

Several large-scale efforts to adjust production to meet the economic situation with respect to a commodity which have been favored by the board have likewise been vigorously supported by the Extension Service. Notable among these were the efforts to adjust acreage in the Cotton Belt in the South and in the spring Wheat Belt in the Northwest. Similar efforts are now being made in the hard red winter Wheat Belt. In these various campaigns extension workers have made effective use of the information obtained from the Bureau of Agricultural Economics and from the economic divisions of their several agricultural colleges. Extension divisions have taken the initiative in holding meetings at which facts regarding intentions to plant, the available supply of the commodity, and other pertinent facts were presented for the consideration of growers.

Intensive educational effort in tobacco and early potato-growing areas have afforded striking examples of what can be accomplished in advising farmers of commodity conditions and assisting them to adjust their management plans to meet the varying market and supply. Probably one of the most effective organizations of this type has been the interstate early potato committee which was sponsored by the extension divisions of Maryland, Virginia, North Carolina, South Carolina, and Florida, and which has associated with it the growers' associations, shippers, dealers, and others interested in early potato production.

The Interstate Early Potato Committee

The personnel of the committee consists of the directors of extension from the States concerned, the chief of the Office of Cooperative Extension Work, the assistant chief of the Bureau of Agricultural Economics, the specialist in charge of fruit and vegetable marketing in that bureau, the chief of the Bureau of Markets in some of the States, and a grower and a dealer from each State. The secretary employed by the committee to give him full time to the potato situation in the early producing States receives his salary and traveling expenses exclusively from official sources, part being paid by the extension services of the States involved and part by the Extension Service and the Bureau of Agricultural Economics of the U. S. Department of Agriculture.

Subcommittees are organized in each State as follows:

1. Advance Market Information and Acreage Stabilization.
2. Speculative Credit Stabilization.
3. Substitute Crops and Enterprises.
4. Wider Market Coordination and Market Practices.

The program of the committee involves obtaining intentions-to-plant reports at an earlier date than ever before. The committee hopes to obtain reports from most of the agencies engaged in financing the crop which will show the commitments actually made and the acreage actually planted or intended for planting from month to month.

The committee plans through well-directed publicity and public meetings to keep the true situation before the industry so that when sufficient acreage is in sight there may be a general restriction of credit that will check the tendency to overplant. The executive secretary follows the crop through the production and marketing season, keeping growers, dealers, and shippers advised regarding conditions in competing areas, progress of marketing, crop movement, price changes, and other important factors. It should be borne in mind that this new extension enterprise growing out of the outlook work involves not only the cooperative association but the individual operators who handle more than half the crop.

This is a new development in extension work. A. E. Morcker, an agent of the Department of Agriculture and executive secretary of the committee, reports that the work is on a satisfactory basis. The potato growers of the Pacific Northwest have discussed the organization of a similar association.

Use of Outlook Material

The Bureau of Agricultural Economics of the United States Department of Agriculture has developed the outlook for agriculture in a significant way. It is able to predict quite accurately the market outlook for a crop before the planting has been started. The economic departments of the agricultural colleges have developed applications of the national outlook to local conditions. This method of attacking the surplus problem has been recognized as sound and effective by the agricultural colleges, the Department of Agriculture, the Federal Farm Board, and the cooperatives. The extension organization has carried the outlook into every county with a county agricultural agent. Attendance at these outlook meetings in 1930 has been more than double the attendance in 1929.

In some States the outlook is a 12-month program. Each commodity is discussed at meetings when the farmer is making his plans. The increasing interest in and application of outlook information will do much to reduce surpluses and stabilize prices. The intensive outlook work in the spring wheat area last spring and the outlook work that is now under way in the winter wheat area is indicative of the systematic effort the Extension Service is making to lay the ground work for a sound production and marketing program.

The economic conference as a means of giving the farmer a better understanding of the agricultural situation and the long-time outlook has found a place in the extension program. North Dakota, South Dakota, Illinois, Virginia, New York, Oregon, and probably other States are conducting each year economic conferences to develop leadership and increase the understanding of economic laws in order that through proper adjustment losses may be reduced or farm incomes increased.

In the last analysis the cost of production on each farm is the determining factor as to whether the enterprise shall be continued or dropped. We may not think of farm management and farm accounting as the foundation of a sound cooperative marketing program and yet, with wheat at less than a dollar a bushel and the long-time prospect not bright, it is the high-cost producer that should adjust his production plans to meet the new conditions. The thousands of farm records that are gathered by the farm management specialist and analyzed each year are the bases for crop and livestock adjustment. The farm management work of the Extension Service, along with the economic conferences and the outlook meetings, make it possible for the individual farmer to determine what commodities and how much of each he shall produce. It is the sound approach to the stabilization of production which makes cooperative marketing safe. These lines of work will be expanded and strengthened during the coming year.

Surveys and Studies

The farm board needed facts to advise with the cooperatives on organization and the Extension Service suggested surveys. At the present time the Extension Service in cooperation with the farm board is conducting a survey of the cooperative associations in the North Atlantic group of States. The types of organization and the grouping of commodities will be determined by the survey. The extension service of South Carolina conducted a survey preparatory to organizing a tobacco association which is to be part of the national association now in the process of organization.

A fig association applied to the farm board for a loan. A January freeze had placed the fig crop on a speculative basis. The farm board needed facts. The extension service of the agricultural college furnished four specialists, four county agents, and the necessary automobiles, and the facts were gathered in five days. Similar service was rendered in connection with the fruit and vegetable canning industry in South Carolina.

In Michigan the berry and vegetable growers wanted the farm board to help them perfect their organization. The marketing specialists and county agents assisted the local cooperative association in reorganizing to meet the requirements of the Capper-Volstead Act as well as those of the agricultural marketing act. The potato growers, the bean growers, as well as the fruit and vegetable growers have since reorganized and are now in a position to take advantage of the marketing act and to join with other sections of the country in marketing their commodities.

The extension service in Kansas organized the Kaw Valley Potato Growers Association. The extension service in Florida surveyed the fruit and vegetable industry, and the extension organization in Missouri assisted their local association to join in the national set-up for grain, livestock, and cotton. The extension service in California is making a survey of the grape industry out of which should come a more definite program for the marketing of this product cooperatively.

Miscellaneous Service

A large and valuable service has been rendered in the field of accounting. Schools have been conducted for managers and boards of directors. Trips for officers and directors of cooperatives have been conducted to large marketing centers. Much of the best work of the county agent is not that which is recorded in headline stories in the daily paper. The instruction in the principles and purposes of cooperation, the smoothing out of difficulties in the local association, and the development of tested leadership in the rural field are some of the contributions that the county agents have made that are apparent only to the thorough student in this field.

What of the Future?

What may be expected of the Extension Service in the future in the way of help in cooperative marketing?

1. The Extension Service believes in cooperation in the sale of farm products. It believes that cooperative associations are subject to the same hazards as other corporate business organizations, but with efficient business management and loyal membership they give the farmer larger bargaining power and eventually increased return.

2. The Extension Service has worked and will continue to work with groups in perfecting cooperative organizations for the sale of farm products.

3. There will be an expansion of the work in economics and marketing to meet the demands created by the Federal Farm Board.

4. More intensive work will be done during the next year in presenting the principles of cooperative marketing, the provisions of the agricultural marketing act, and the organization of commodity groups as outlined by the Federal Farm Board. The problem of efficient management, the training of officers and boards of directors will be given additional attention. Accounting methods and membership relations will continue to occupy an important place in the extension program.

The Extension Service is not a blind follower of marketing that is labeled cooperative nor is it a destructive critic. It will continue to give the farmers the facts as it sees them, feeling that in so doing it will discourage inefficient and wasteful efforts and encourage a broader interest in sound cooperation.

With adequate finances available through the Federal Farm Board, national approval of cooperative marketing of farm products by the Federal Government through the agricultural marketing act, and the extension organization ready and willing to give its best, the outlook for the further development of cooperative marketing is indeed promising.

